

## HOUSE BILL No. 1020

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 12-7-2; IC 12-31; IC 16-21-7.5.

**Synopsis:** Umbilical cord blood bank. Requires the office of the secretary of family and social services to enter into a memorandum of understanding with a nonprofit corporation to establish and operate an umbilical cord blood bank. Requires physicians and participating hospitals to inform pregnant patients of the option to donate umbilical cord blood. Requires the nonprofit corporation to establish an umbilical cord blood donation initiative to promote public awareness concerning the medical benefits of umbilical cord blood. (The introduced version of this bill was prepared by the health finance commission.)

**Effective:** July 1, 2008.

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**Welch, Koch, Battles, Turner**

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January 14, 2008, read first time and referred to Committee on Public Health.

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Introduced

Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

## HOUSE BILL No. 1020

A BILL FOR AN ACT to amend the Indiana Code concerning health.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 12-7-2-118.3 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2008]: **Sec. 118.3. "Initiative", for purposes**  
4 **of IC 12-31-2, has the meaning set forth in IC 12-31-2-1.**

5 SECTION 2. IC 12-7-2-132.5 IS ADDED TO THE INDIANA  
6 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
7 [EFFECTIVE JULY 1, 2008]: **Sec. 132.5. "Nonprofit corporation",**  
8 **for purposes of IC 12-31, has the meaning set forth in IC 12-31-1-1.**

9 SECTION 3. IC 12-31 IS ADDED TO THE INDIANA CODE AS  
10 A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
11 2008]:

### ARTICLE 31. UMBILICAL CORD BLOOD

#### Chapter 1. Public Umbilical Cord Blood Bank

14 **Sec. 1. As used in this article, "nonprofit corporation" refers to**  
15 **the Indiana nonprofit corporation that enters into a memorandum**  
16 **of understanding with the office of the secretary under section 2 of**  
17 **this chapter to establish and operate a public umbilical cord blood**

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1 bank.

2 Sec. 2. The office of the secretary shall enter into a  
3 memorandum of understanding with a nonprofit corporation to  
4 establish and provide for the operation of a public umbilical cord  
5 blood bank to promote public health and to exercise other essential  
6 governmental functions.

7 Sec. 3. (a) The board of directors of the nonprofit corporation  
8 consists of the following:

9 (1) The state health commissioner or the commissioner's  
10 designee.

11 (2) The secretary or the secretary's designee.

12 (3) The secretary of commerce appointed under IC 5-28-3-4  
13 or the secretary's designee.

14 (4) The director of the state department of health's office of  
15 minority health.

16 (5) The following individuals appointed by the governor:

17 (A) One (1) president or chief executive officer of an  
18 Indiana based hospital.

19 (B) One (1) research scientist with expertise in umbilical  
20 cord blood research.

21 (C) One (1) ethicist with expertise in bioethics.

22 (D) One (1) physician licensed under IC 25-22.5 who  
23 specializes in birthing and delivery.

24 (E) One (1) representative of a donor cord blood bank  
25 facility.

26 (F) One (1) member of the interagency state council on  
27 black and minority health established under IC 16-46-6.

28 (b) The board of directors shall appoint an advisory board. At  
29 least fifty-one percent (51%) of the advisory board members must  
30 be research scientists with expertise in stem cell research.

31 (c) The advisory board, using criteria established by the board  
32 of directors, is responsible for reviewing applications from  
33 research scientists, research institutions, and other persons  
34 interested in purchasing umbilical cord blood or a placenta that is  
35 ineligible for transplant use from the public umbilical cord blood  
36 bank.

37 (d) The board of directors may contract with a person to  
38 perform the management and administrative operations of the  
39 public umbilical cord blood bank.

40 Sec. 4. The nonprofit corporation shall do the following:

41 (1) Establish procedures and guidelines for collecting and  
42 maintaining umbilical cord blood donations.

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(2) Educate health care professionals about the procedures and requirements for collecting and maintaining umbilical cord blood donations following the birth of a newborn infant.

(3) Establish forms concerning patient informed consent and privacy.

**Sec. 5. (a) The nonprofit corporation shall accept and maintain umbilical cord blood donations at no charge or cost to the donor.**

**(b) The nonprofit corporation may allow the following to use the umbilical cord blood donations:**

**(1) Transplant centers.**

**(2) Research centers approved by the nonprofit corporation that will use the umbilical cord blood donation to promote medical advances, life science research, or biotechnology research.**

**(3) Any other entity approved by the nonprofit corporation if the entity will use the umbilical cord blood donation to promote medical advances, life science research, or biotechnology research.**

**(c) All umbilical cord blood donations to the public umbilical cord blood bank of transplantable quality as set forth by the National Marrow Donor Program must be allocated for medical transplants.**

**(d) Umbilical cord blood donations to the public umbilical cord blood bank that do not meet the transplant requirements may be allocated by the bank for research purposes.**

**Sec. 6. (a) The nonprofit corporation may collect and maintain donations of tissue extracted from an umbilical cord and placenta at no charge or cost to the donor.**

**(b) Any postnatal tissue maintained by the public umbilical cord blood bank must be made available for scientific research or medical treatments that comply with relevant national practice and quality standards.**

**Sec. 7. The nonprofit corporation may award a grant to a person for work with umbilical cord blood or postnatal tissue.**

**Sec. 8. The nonprofit organization shall report annually to the health finance commission established by IC 2-5-23-3 concerning the following:**

**(1) The implementation of the umbilical cord blood bank.**

**(2) The number of collections used for transplants and the number of collections used for research.**

## **Chapter 2. Umbilical Cord Blood Donation Initiative**

**Sec. 1. As used in this chapter, "initiative" refers to the**

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1 umbilical cord blood donation initiative established under section  
2 of this chapter.

3 **Sec. 2. The nonprofit corporation shall establish an umbilical**  
4 **cord blood donation initiative to promote public awareness**  
5 **concerning the following:**

6 (1) A pregnant woman's option to donate umbilical cord blood  
7 upon the birth of a newborn infant.

8 (2) The medical benefits of umbilical cord blood.

9 (3) The importance of donating umbilical cord blood to the  
10 public umbilical cord blood bank.

11 **Sec. 3. The nonprofit corporation may accept a grant from the**  
12 **federal government or money from the state government or private**  
13 **contributions to establish and implement the initiative.**

14 **Sec. 4. (a) The initiative must include the dissemination of**  
15 **written material that includes the following:**

16 (1) Information concerning the option that is available to  
17 pregnant women to donate umbilical cord blood upon the  
18 birth of a newborn infant.

19 (2) An explanation of the difference between public and  
20 private umbilical cord blood banking.

21 (3) The benefits of umbilical cord blood in accordance with  
22 the National Marrow Donor Program and the use of umbilical  
23 cord blood for medical treatment, including the following:

24 (A) A list of the diseases or conditions that have been  
25 treated through the use of umbilical cord blood.

26 (B) A list of the diseases or conditions for which scientific  
27 research indicates that treatment through the use of  
28 umbilical cord blood is promising.

29 (4) Information on the public umbilical cord blood bank.

30 (5) Information concerning the process by which umbilical  
31 cord blood is collected and the steps that a pregnant woman  
32 must take before the child is born to arrange to have the  
33 umbilical cord blood collected and donated.

34 (b) The nonprofit corporation shall:

35 (1) update the material required in subsection (a); and

36 (2) distribute the material to the following persons that treat  
37 pregnant women:

38 (A) Physicians licensed under IC 25-22.5.

39 (B) Hospitals.

40 (C) Ambulatory surgical centers.

41 (D) Health clinics.

42 (E) Maternity homes registered under IC 16-26-1.

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1        **Sec. 5.** Each physician and participating hospital, when feasible,  
 2        shall inform each pregnant patient under the physician's or  
 3        participating hospital's care, not later than thirty (30) days after  
 4        the beginning of the patient's third trimester of pregnancy, of the  
 5        opportunity to donate umbilical cord blood to the public umbilical  
 6        cord blood bank following delivery of a newborn infant.

7        **Sec. 6.** The nonprofit corporation that establishes the initiative  
 8        described in this chapter must meet all the requirements and  
 9        responsibilities set forth in IC 23-17.

10       **Sec. 7. (a)** Any intellectual property developed by the nonprofit  
 11       corporation establishing the initiative under this chapter is the  
 12       property of the nonprofit corporation. A donor must consent to  
 13       release any claim of intellectual property derived from an  
 14       umbilical cord blood donation.

15       (b) The sale of umbilical cord blood or postnatal tissue by the  
 16       nonprofit corporation to a person does not result in a right by the  
 17       nonprofit corporation to intellectual property developed from the  
 18       product of the sale.

19       SECTION 4. IC 16-21-7.5 IS ADDED TO THE INDIANA CODE  
 20       AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 21       JULY 1, 2008]:

22       **Chapter 7.5. Hospital Requirement Regarding Umbilical Cord**  
 23       **Blood Donation**

24       **Sec. 1. (a)** Except as provided in section 2 of this chapter, a  
 25       participating hospital licensed under this article must offer a  
 26       patient who delivers a newborn infant at the participating hospital  
 27       the option of donating the umbilical cord blood following delivery  
 28       of the newborn infant.

29       (b) A patient may not be charged for the collection, storage, or  
 30       donation to the public umbilical cord blood bank established under  
 31       IC 12-31-1.

32       **Sec. 2. (a)** A hospital is not required to collect the umbilical cord  
 33       blood if either of the following applies:

34       (1) In the professional judgment of a physician licensed under  
 35       IC 25-22.5, the collection would threaten the health of the  
 36       mother or the infant.

37       (2) The hospital is affiliated with a religious denomination  
 38       that believes that the blood transfer is contrary to the moral  
 39       principles or beliefs of the religious denomination.

40       (b) An employee of a participating hospital is not required to  
 41       collect an umbilical cord blood donation if the blood transfer is  
 42       contrary to the religious principles or beliefs of the employee.

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1           **Sec. 3. A hospital shall cooperate with the nonprofit corporation**  
2           **(as defined in IC 12-31-1-1) in accomplishing the public health goal**  
3           **of maximizing umbilical cord blood donations.**

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